



WASHINGTON STATE

DEPARTMENT OF RETIREMENT SYSTEMS

REQUEST FOR QUOTES AND QUALIFICATIONS

For

Public Pension Administration Benchmarking Services

RFQQ 05-005

Released

May 31, 2005

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1. **GENERAL INFORMATION**

1.1 INTRODUCTION

The Washington State Department of Retirement Systems (DRS) administers seven public employee retirement systems as well as the State's Deferred Compensation and Dependent Care Assistance programs.

1.2 OBJECTIVE

The objective of this solicitation is to obtain benchmarking services including in-depth analysis of business functions and comparison of findings with other public retirement systems, providing a peer network forum, and providing a source of "best practices" from other public retirement systems of comparable size.

1.3 CONTRACT TERM

The Contract will be effective upon the date of Office of Financial Management (OFM) approval or July 1, 2005, whichever is later. The Contract will allow DRS the option of purchasing services on a year-by-year basis for up to four years.

1.4 DEFINITIONS

Contractor – shall mean the Contractor, its employees and agents, to include any firm, provider, organization, individual, or other entity performing Services under the resulting Contract.

DRS – shall mean the Washington State Department of Retirement Systems, and any of the officers or other officials lawfully representing the Department of Retirement Systems.

Response – shall mean the Contractor's written response to this RFQQ.

Services – shall mean Benchmarking and other Services provided by the Contractor as set forth in SCOPE OF SERVICES, infra.

Vendor – A firm in the business of supplying the requested services.

1.5 RFQQ COORDINATOR

Upon release of this RFQQ, all Vendor communications concerning this acquisition must be directed ***only*** to the RFQQ Coordinator listed below. Unauthorized contact with other State employees regarding this RFQQ may result in disqualification. Any oral communications will be considered unofficial and non-binding on DRS. Vendors should rely only on written statements issued by the RFQQ Coordinator.

Leslie Saeger Phone: (360) 664-7291
RFQQ 05-005 Coordinator FAX: (360) 753-3166
E-mail: leslies@drs.wa.gov

Mailing Address: *Shipping Address:*
PO Box 48380 6835 Capitol Blvd.
Olympia, WA 98504-8380 Tumwater, WA 98501

1.6 ACQUISITION SCHEDULE

<u>Event</u>	<u>Date / Time</u>
Release RFQQ to Vendors	May 31, 2005
Vendor Questions Due	June 7, 2005
Written Responses to Vendor Questions Released	June 10, 2005
Vendor Responses Due	June 16, 2005, no later than 2pm, local time, Olympia, WA
Response Evaluation Period	June 17 - 24, 2005
Announce Apparent Successful Vendor	June 30, 2005
Vendors Request Optional Debriefings	July 1 - 6, 2005
Hold Vendor Optional Debriefing Conferences	July 5 - 7, 2005
Execute Contract (on or before)	July 14, 2005
OFM Filing	July 15, 2005
Contract effective	Date of OFM approval (Within 10 working days of filing)

1.7 RFQQ AMENDMENTS/CANCELLATION

DRS reserves the right to change the *Acquisition Schedule* or issue amendments to this RFQQ at any time during the acquisition process. DRS also reserves the right to cancel or reissue this RFQQ.

1.8 ERRORS IN VENDOR RESPONSES

DRS will not be liable for any errors or omissions in Vendor's Response. Vendors will not be allowed to alter Response documents after the RFQQ Response due date identified in the *Acquisition Schedule*.

DRS reserves the right, at its sole discretion, to waive minor administrative irregularities contained in any Response.

1.9 NO OBLIGATION TO BUY/RESPONSE REJECTION

DRS reserves the right to refrain from contracting with any Vendor. The release of this RFQQ does not obligate DRS to purchase Services. Furthermore, DRS reserves the right to reject any or all Responses at any time without penalty.

1.10 WITHDRAWAL OF RESPONSES

Vendors may withdraw a Response that has been submitted at any time up to the Response due date and time in the *Acquisition Schedule*. A written request signed by an authorized representative of the Vendor must be submitted to the RFQQ Coordinator by postal mail, facsimile or in person (see *RFQQ Coordinator*). After withdrawing a previously submitted Response, the Vendor may submit another Response at any time up to the Response due date and time (see *Acquisition Schedule*).

1.11 NON-ENDORSEMENT

The award of this Contract to a Contractor is not in any way an endorsement by DRS of the Contractor or Contractor's Services, and shall not be construed as such by Contractor in any advertising or other publicity materials.

By submitting a Response to this RFQQ, the Vendor agrees to make no reference to DRS in any literature, promotional material, brochures, sales presentations or the like without the prior written consent of DRS.

1.12 MINORITY AND WOMEN BUSINESS ENTERPRISES CONSIDERATION

Vendors who are certified by the state of Washington as Women Owned Business Enterprises or Minority Owned Business Enterprises are encouraged to respond. Businesses certified by the Office of Minority and Women's Business Enterprises do not receive preference when Responses are evaluated.

1.13 COST OF PREPARING RESPONSES

DRS is not liable for any costs incurred by Vendor in the preparation and presentation of Responses submitted in response to this RFQQ.

1.14 VENDOR QUESTIONS

Specific questions concerning this RFQQ must be submitted, in writing, to the RFQQ Coordinator by the date and time set forth in the *Acquisition Schedule*. Questions may be transmitted by facsimile or electronic mail. Only written questions will receive official written responses. Copies of all written questions and DRS responses will be posted on the DRS website at <http://www.drs.wa.gov/administration/rfp>. It will be the Vendor's responsibility to monitor this website during preparation of their response. Only posted answers to questions will be considered official.

1.15 OPTIONAL VENDOR DEBRIEFING CONFERENCE

Vendors submitting a response to this RFQQ may request a debriefing to discuss their response. These debriefings will be held on the dates specified in the *Acquisition Schedule*. The request must be in writing, addressed to the RFQQ Coordinator and may be transmitted by facsimile or electronic mail. The RFQQ Coordinator must receive this request by the date and time specified in the *Acquisition Schedule*.

The optional debriefings will **not** include any comparisons of the Vendor's response with any other Vendor's response. Each debriefing will be up to thirty (30) minutes in length. The debriefing may be conducted via telephone.

1.16 PROTESTS

Upon completion of an optional debriefing conference, a Vendor is allowed three (3) business days to file a formal written protest of this acquisition with DRS.

Further information regarding the filing and resolution of protests is contained in Appendix D: *Protest Procedure*. Only those Vendors who participate in an optional debriefing conference may submit a protest.

1.17 OFM FILING

Under the provisions of Chapter 39.29 RCW, this contract is required to be filed with the Office of Financial Management (OFM). No contract required to be so filed is effective and no work shall be commenced nor payment made until approved by OFM. In the event OFM fails to approve the contract, the contract shall be null and void.

2. SCOPE OF SERVICES

2.1 TASKS AND DELIVERABLES

Any or all of the following deliverables may be required:

A. Benchmarking report

Preparation of benchmarking reports includes the following tasks:

- Collecting performance and activity cost data from a minimum of 15 public pension administrators, each having a total of more than 200,000 active members and annuitants (to establish a valid peer group for DRS). The cost data provided by each participant shall reconcile to their published comprehensive annual financial report.
- Conducting one on-site visit to assist in the collection of data, if needed, and more importantly, to ensure that the Contractor understands possible comparability issues with DRS' data and factors that may affect the relative complexity of DRS' systems.
- Providing four copies of the individualized report(s) to DRS. At a minimum, the reports will: a) compare the performance and cost data provided by DRS with data provided by its peer group; b) analyze the data in at least 12 different activities that are common to public pension administration (e.g., disbursements); c) analyze the data in at least five factors that may contribute to cost differences (e.g., plan complexity); and d) provide sufficient statistical analysis to enable DRS to identify the validity of any conclusions presented in c), above.
- Providing one on-site presentation of the report results to DRS if desired.

B. At least one co-hosted conference for public retirement systems, including DRS and its peers

- Co-host a conference with one of the other pension administrators to cover current issues of interest to public pension administrators.

C. Best Practice Analysis of DRS operations

- Perform a best practice analysis on a common public pension administration service, publication or process, and provide two copies of the resulting report to DRS.

D. Coordination of a continuous networking service

- Provide a coordinated networking service to DRS and other public pension administrators that allows administrators to ask questions and receive input from each other.

2.2 OTHER STIPULATIONS

- A. During the term of this Contract, the Contractor may be consulted, on various occasions and under varying circumstances, by the Director of DRS, Deputy Director of DRS, or the DRS Contract Manager, for education or technical information purposes consistent with the functions and assignments described above. Prior to the commencement of any assignments or fulfillment of any requests beyond the scope of services defined by this Contract, the rendering of which could cause an increase in the fees set forth herein, the Contractor shall promptly notify the DRS Contract Manager.
- B. The Contractor shall provide DRS with such services as described in this contract in accordance with the terms and conditions of this contract, the objectives and guidelines established by DRS, the legal limitations imposed on DRS and specific directives or instructions issued by DRS to the Contractor.
- C. Each June, DRS shall make an assessment of whether to purchase services for the then next 12-month period. DRS shall communicate their decision to the Contractor in writing. Written notification is for the record only and not a prerequisite for communicating a decision.
- D. All related reports shall be sent to: ATTN: Budget Director, Washington State Department of Retirement Systems, P.O. Box 48380, Olympia, Washington 98504-8380. If the reports are sent via an express mail service, the street address is: 6385 Capitol Way, Tumwater, Washington 98501.

3. **PROPOSAL CONTENT**

Proposals must be submitted on eight and one-half by eleven (8 1/2 x 11) inch paper. The sections of the proposal are to be submitted in the order noted below:

- A. Letter of Submittal
- B. Signed Certifications and Assurances Form (Appendix A to this RFQQ)
- C. Proposal
- D. Cost proposal

Proposals must provide information in this same order and with the same headings. This will not only be helpful to the evaluators of the proposal, but should assist the Vendor in preparing a thorough response.

All items in this section must be included as part of the proposal for it to be considered responsive.

3.1 LETTER OF SUBMITTAL

The Letter of Submittal and the Certifications and Assurances form (Appendix A to this RFQQ) must be signed and dated by a person authorized to legally bind the Vendor to a contractual relationship, e.g., the president or executive director if a corporation, the managing partner if a partnership, or the proprietor if a sole proprietorship. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Vendor and any proposed subcontractors:

- A. Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- B. Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.).
- C. Legal status of the Vendor (sole proprietorship, partnership, corporation, etc.) and the year the entity was organized to do business as the entity now substantially exists.
- D. Federal Employer Tax Identification number or Social Security number and the Uniform Business Identification (UBI) number issued by the State of Washington Department of Revenue.
- E. Location of the facility from which the Vendor would operate.
- F. Identification of any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Vendor's organization. If following a review of this information, it is determined by the Agency that a conflict of interest exists, the Vendor may be disqualified from further consideration for the award of a contract.

3.2 CERTIFICATION AND ASSURANCES FORM

A signed copy of the Certification and Assurances form included in this RFQQ as Appendix A.

3.3 PROPOSAL

The proposal must contain a comprehensive description of services and experience covering the following elements:

- A. Annual surveys
- B. Best practice reviews
- C. Peer networking
- D. Hosted conferences

E. References

A completed Customer References form (Appendix C to this RFQQ) listing business references for whom similar services have been provided within the last two years. Briefly describe the type of service provided. The Vendor must grant permission to the Agency to contact the references. Do not include current Agency staff as references.

F. Related Information

If the Vendor has had a contract terminated for default in the last five years, describe such incident. Termination for default is defined as notice to stop performance due to the Vendor's non-performance or poor performance and the issue of performance was either (a) not litigated due to inaction on the part of the Proposer, or (b) litigated and such litigation determined that the Proposer was in default.

Submit full details of the terms for default including the other party's name, address, and phone number. Present the Vendor's position on the matter. The Agency reserves the right to reject the proposal if there have been terminations for default within the last five years, based upon its judgment concerning the circumstances surrounding the termination(s).

If the Vendor has experienced no such termination for default in the past five years, so indicate.

F. OMWBE Certification (Optional)

Include proof of certification issued by the Washington State Office of Minority and Women-Owned Business if certified minority-owned firm and/or women-owned firm(s) will be participating on this project.

4. COST PROPOSAL

DRS prefers to be able to select individual services for each 12-month period in which services are purchased. Therefore, the preferred method of costing this proposal is to cost each of the services described in the SCOPE OF SERVICES separately and then offer bundling options, with discounted costs for purchasing each combination of services.

Proposals whose costs are considered inappropriate (outside of industry norms) will be eliminated during the evaluation process.

Bundling options are:

- Benchmarking report including initial site visit and final presentation of report to DRS
- Co-hosting a conference, a Best Practice analysis and Coordination of networking service
- Other combinations of services
- All services

To be costed separately:

- Benchmarking report only
- Initial site visit
- Final presentation of report to DRS
- Co-hosting a conference for public retirement systems, including two staff from DRS and its peers. The cost for each additional DRS attendee should be noted.
- Best Practice analysis of DRS operations
- Coordination of a continuous networking service

5. EVALUATION PROCEDURES

DRS' evaluation criteria reflect a wide range of considerations. While the Vendor's price quotations are important, other factors are also significant. Careful selection of the apparently successful Vendor depends upon DRS' assessment of the Vendor's quality of services, the Vendor's potential impact on DRS day-to-day operations, and other qualitative and quantitative considerations. Consequently, DRS may select a Vendor that is not necessarily proposing the lowest cost solution. The objective is to choose a reliable and experienced Vendor capable of providing effective and flexible Services at a reasonable cost.

The RFQQ Coordinator may contact the Vendor for clarification of any portion of the Vendor's Response. The evaluation process is as follows.

Responses will be evaluated by a team of evaluators on the following basis:

Survey/benchmarking report	60%
Best Practice reviews	10%
Peer networking	5%

Hosted conferences	5%
References	20%
Related information	Pass/Fail
Costs	Pass/Fail

A response that fails in the Related Information or the Costs category will be eliminated from further consideration. Remaining responses will be scored and the total score will determine the apparently successful vendor. Costs will be considered as a separate item and used to determine the apparently successful vendor if the highest scoring proposals are deemed to be comparable in the other service categories.

5.1. CONTRACT AWARD

The Vendor with the highest Total Score will be recommended to DRS management as the apparently successful Vendor. Upon determining the apparently successful Contractor, DRS will announce the apparently successful Contractor to all proposing Vendors on the date identified in the *Acquisition Schedule*. After the apparently successful Vendor is announced, Contract negotiations will begin.

6. RFQ ATTACHMENTS

- Appendix A Certifications and Assurances form
- Appendix B Sample Contract
- Appendix C Customer Reference Contacts
- Appendix D Protest Procedures

APPENDIX A: CERTIFICATION AND ASSURANCES

We, the Contractor, make the following certifications and assurances as a required element of this Response understanding that the truthfulness of the facts affirmed here and the continuing compliance with these requirements and all Mandatory Requirements of this Request for Quotation and Qualifications (RFQQ) Number 05-005 are conditions precedent to the award or continuation of the related Contract:

1. All of the information included in this Response is accurate.
2. The prices quoted have been determined independently, without consultation, communication or Contract with others for the purpose of restricting competition.
3. Our Response is a firm offer for a period of sixty (60) days following the Response due date specified in this RFQQ, and may be accepted by the Washington State Department of Retirement Systems (DRS) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the sixty (60) day period. In the case of protest, our Response remains valid until the protest is resolved or the sixty-day offer period expires, whichever is later.
4. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this RFQQ, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person, nor any member of his or her immediate family, have any financial interest in the outcome of this Response. (Any exceptions to these assurances are described in full detail on a separate page and attached to this document.)
5. We understand that DRS will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of DRS, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in specified sections of the Response. We further understand that the marking of the entire Response or the pricing as proprietary will not be honored. Submission of our Response constitutes Contract to abide by the procedures described in this RFQQ document.
6. We understand that any Contract awarded as a result of this Response will incorporate all of DRS' RFQQ Requirements, the contents of this Response and all Contract terms and conditions appearing in Appendix B: *Contract Terms and Conditions* of this RFQQ. Submission of a Response and execution of this Certifications and Assurances document certify Contractor's willingness to comply with these or substantially similar terms if selected as the apparently successful Contractor. We understand that if we fail to sign the Contract within five (5) Business Days of delivery of the final Contract to us, DRS may elect to cancel the award and the Contract may be awarded to the next highest-ranked Contractor. It is further understood that under no circumstances will a Contractor-submitted Contract be considered as a replacement for the terms and conditions appearing in Appendix B: *Contract Terms and Conditions* of DRS' Request for Quotation and Qualifications 05-005.

Signature

Contractor Name

Authorized Representative Name/ Title

Date

SAMPLE

APPENDIX B

DRS Contract 05-005-01

**PERSONAL SERVICES CONTACT
BETWEEN THE
STATE OF WASHINGTON
DEPARTMENT OF RETIREMENT SYSTEMS**

AND

This contract is made between the Washington State Department of Retirement Systems (hereinafter "DRS" or the "AGENCY"), and _____, (hereinafter "CONTRACTOR").

NOW THEREFORE, the AGENCY and CONTRACTOR mutually agree as follows:

All rights and obligations of the parties to this Contract shall be subject to and governed by those SPECIAL TERMS AND CONDITIONS contained in the text of this Contract and the GENERAL TERMS AND CONDITIONS in Exhibit A, attached and incorporated by reference herein.

SPECIAL TERMS AND CONDITIONS

I. NATURE OF RELATIONSHIP

The purpose of this Contract is to provide DRS access to public retirement system administration benchmarking services in four 12-month increments. Each June, DRS shall assess whether to place an order for benchmarking services for the then upcoming 12-month period beginning July 1st. The period of performance under this contract will be from **July 1, 2005 or date of approval, whichever is later, through June 30, 2009.** There is no guarantee that DRS will purchase the CONTRACTOR's services in any given 12-month period.

II. DEFINITIONS

As used throughout this contract and attachments, the following terms shall have the meanings set forth below:

"CONTRACTOR" shall mean (____CONTRACTOR Name & Address ____)

“Contract Manager” shall mean the AGENCY representative identified in the text of the contract who is delegated the authority to administer the contract.

“DRS” shall mean the Washington State Department of Retirement Systems, P.O. Box 43830, Olympia, Washington as described in Revised Code of Washington (RCW) 41.50.

“Director” shall mean the AGENCY employee authorized by RCW 41.50.020 who serves as the executive and administrative head of DRS.

“Guidelines” shall include the policies and procedures and other written instructions implemented by DRS.

III. SCOPE OF SERVICES

The CONTRACTOR shall perform the tasks as described in RFQQ 05-005, attached as Exhibit B and incorporated by reference herein, in accordance with the terms and conditions of this contract, the objectives and guidelines established by DRS, the legal limitations imposed on DRS and specific directives or instructions issued by DRS to the CONTRACTOR.

During the term of this agreement, the CONTRACTOR may be consulted, on various occasions and under varying circumstances, by the Director of DRS, Deputy Director of DRS, or the Contract Manager identified in Section 7, for education or technical information purposes consistent with the functions and assignments described in RFQQ 05-005.

Prior to the commencement of any assignments or fulfillment of any requests beyond the scope of services defined by this agreement, the rendering of which could cause an increase in the fees set forth herein, the CONTRACTOR shall promptly notify the Contract Manager listed in Section 7, *infra*.

All related reports shall be sent to: ATTN: Budget Director, Washington State Department of Retirement Systems, P.O. Box 48380, Olympia, Washington 98504-8380. If the reports are sent via an express mail service, the street address is: 6385 Capitol Way, Tumwater, Washington 98501.

IV. PERIOD OF PERFORMANCE

Subject to its other provisions, the period of performance under this Contract will be as stated in Section 1. This contract is to provide DRS with the option of purchasing benchmarking services for 12-month increments beginning July 1, 2005. The CONTRACTOR is obligated to offer the services described in RFQQ 05-005 and the CONTRACTOR's proposal, attached as Exhibit C and incorporated by reference herein, for the entire four year period and at the terms and conditions contained in those documents. DRS will have the option of purchasing or not purchasing services for any of

the four 12 month periods. DRS will notify the CONTRACTOR of its decision in June of each year.

Under the provisions of RCW 39.29, this personal service contract is required to be filed with the Office of Financial Management (OFM). No contract required to be so filed is effective and no work shall be commenced nor payment made until ten (10) working days following the date of filing, and if required, until approved by OFM. In the event OFM fails to approve the contract, the contract shall be null and void.

V. COMPENSATION

The fee for purchasing benchmarking services for each 12-month period shall not exceed \$_____ U.S. Payment is based upon services authorized and received for each 12-month period. The total maximum amount for authorized services received under this contract shall not exceed \$_____ U.S.

DRS may choose to forego selection of any or all services during any 12-month period over the course of the contract. Hence, DRS may select to purchase services for two non-consecutive 12-month periods without liability or penalty.

If circumstances beyond the CONTRACTOR's control delay completion of the purchased service, the CONTRACTOR will fulfill the work at no extra cost to DRS.

The CONTRACTOR shall pay all applicable taxes assessed on the compensation received under this contract and shall identify and pay those taxes under CONTRACTOR's federal and state identification number(s).

VI. BILLING PROCEDURES

DRS will pay the CONTRACTOR, upon receipt of properly completed invoices, for deliverables completed and accepted in writing by DRS.

The CONTRACTOR must submit a completed and signed invoice to DRS to receive compensation for services delivered under this contract. Under this contract, DRS will not make any deduction for federal income tax withholding or Social Security withholding. Such actions are the responsibility of the CONTRACTOR. The invoice must include company name, address and telephone number, invoice number, federal identification number, contract number, description of specific product(s) produced, the associated payment amount(s), and an invoice total. Invoices shall be directed to: ATTN: Budget Director, Washington State Department of Retirement Systems, P.O. Box 48380, Olympia, Washington 98504-8380.

Payment shall be made no later than thirty (30) days after acceptance of the specific product and receipt of a properly submitted and correct invoice. DRS has the right to

withhold payment if the CONTRACTOR does not fulfill any responsibilities under this contract in a manner satisfactory to DRS.

DRS may, in its sole discretion, withhold payments claimed by the CONTRACTOR for services rendered if the CONTRACTOR fails to satisfactorily comply with any term or condition of this contract. Acceptance of products is the sole responsibility of the contract manager. If payment(s) will be delayed due to nonperformance, written notification to the CONTRACTOR will be provided within 10 days from the receipt date of product(s).

VII. CONTRACT MANAGEMENT

The Budget Director is designated as the Contract Manager for the contractual relationship. The Contract Manager will be responsible for:

1. Overall direction and planning;
2. Monitoring CONTRACTOR progress against contractual commitments and approving payment; and
3. Designating specific DRS staff for day-to-day liaison with CONTRACTOR.

The CONTRACTOR Representative for each of the parties shall be the contact person for all communications and billings regarding the performance of this Contract.

(...CONTRACTOR...)	DRS
	Mark Feldhausen, Budget Director
	Dept. of Retirement Systems P.O. Box 48380 Olympia, WA 98504-8380 Phone: (360) 664-7194

VIII. CONFIDENTIALITY

The CONTRACTOR shall maintain as confidential all information concerning its study findings and recommendations, as well as the business of DRS, their financial affairs, relations with their clientele and their employees, and any other information which may be specifically classified as confidential by DRS in writing to CONTRACTOR. To the extent consistent with RCW 42.17.250 et seq. ("The Public Disclosure Act"), DRS shall maintain all information which CONTRACTOR specifies in writing as confidential. The

CONTRACTOR shall take appropriate safeguards and instruct its employees regarding nondisclosure of data concerning DRS.

IX. RIGHTS IN DATA

Except as provided in the next paragraph of this Section, data that originates from this contract shall be “works for hire” as defined by the U. S. Copyright Act of 1976 and shall be owned by DRS. Data shall include, but not be limited to, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. Ownership includes the right to copyright, patent, register, and the ability transfer these rights.

To protect the rights of the CONTRACTOR and respect the privacy of the participating peer entities: DRS shall have full ownership of the data DRS provides to the CONTRACTOR; DRS shall also have the right to share the results contained in the report identified in Section 3, however, DRS shall not specifically link any of the participating peer entities to data contained in the report without the prior written consent of those entities and the CONTRACTOR. The CONTRACTOR shall retain ownership of the survey, the data provided by the other peer entities, the CONTRACTOR’s computer programs, and the report format. The CONTRACTOR is permitted to use the data provided by DRS to the CONTRACTOR in the reports of the participating peer entities. The CONTRACTOR is responsible to inform all of the participating peer entities that the requirement for prior written consent identified above applies to all of the participating peer entities.

Data which is delivered under the contract, but which does not originate from the contract shall be transferred to DRS with a nonexclusive, royalty-free, irrevocable license to publish, translate, reproduce, deliver, perform, dispose of, and to authorize others to do so; provided, that such license shall be limited to the extent which CONTRACTOR has a right to grant such a license. CONTRACTOR shall exert all reasonable effort to advise DRS, at the time of delivery of data furnished under this contract, if all known or potential invasions of privacy contained therein and of any portion of such documents which was not produced in the performance of this contract. DRS shall receive prompt written notice of each notice or claim of copyright infringement received by CONTRACTOR with respect to any data delivered under this contract. DRS shall have the right to modify or remove any restrictive markings placed upon the data by CONTRACTOR.

X. GOVERNING LAW

The laws of the state of Washington shall govern this contract. In the event of a lawsuit involving this contract, venue shall be proper only in the Superior Court of the State of Washington, in, and for, Thurston County, Olympia, Washington. CONTRACTOR, by execution of this matter, acknowledges the jurisdiction of the courts of the state of Washington in this matter. If any provisions of this contract shall be deemed in conflict with any statute or rule of law, such provisions shall be deemed modified to be in conformance with said statute or rule of law.

XI. CHANGE OF CONTROL OR PERSONNEL

The CONTRACTOR shall promptly, and in any case within twenty-four (24) hours, notify DRS in writing:

- A. If any of the representations and warranties of the CONTRACTOR set forth in this contract shall cease to be true at any during the term of this contract;
- B. Of any material change in the CONTRACTOR's Senior Staff;
- C. Of any changes in control of the CONTRACTOR or in the business structure or personnel practices of the CONTRACTOR; or
- D. Of any other material change in the CONTRACTOR's business, partnership or corporate organization, relating to the Assigned Account. All written notices regarding changes in Senior Staff shall contain the same information about newly assigned Senior Staff as was requested by DRS in the RFQQ and such additional information as may be requested by DRS. For purposes hereof, the term "Senior Staff" shall mean those persons identified as senior management who will exercise a major administrative role or major policy or consultant role to the provision of the CONTRACTOR's services. All written notices regarding changes in control of the CONTRACTOR shall contain the same information about any new controlling entity as was requested by DRS regarding the CONTRACTOR and such additional information as may be requested by DRS.

XII. SCOPE OF CONTRACT

This contract incorporates all the contracts, covenants and understandings between the parties concerning the subject matter, and all such covenants, agreements and understandings have been merged into this contract. No prior contract or understandings, verbal or

otherwise, of the parties or their agents shall be valid or enforceable unless specified herein, are authorized.

XIII. CONTRACT APPROVAL

This contract shall be subject to the written approval of the DRS authorized representative and shall not be binding until so approved. The Contract may be altered, amended or waived only by a written amendment executed by both parties.

This contract, consisting of six (6) pages and three (3) Exhibits, is executed by the persons signing below who warrant that they have the authority to execute this contract.

DEPARTMENT OF RETIREMENT SYSTEMS

By: _____
Sandra J. Matheson, Director

By: _____

Date: _____

Date: _____

GENERAL TERMS AND CONDITIONS SAMPLE CONTRACT EXHIBIT A

Advance Payment Prohibited: DRS will make no payment in advance or in anticipation of services or supplies to be provided under this contract. DRS shall not pay for any unauthorized services.

Assurances: DRS and the Contractor agree that all activity pursuant to this Contract will be in accordance with all applicable current federal, state and local laws, rules and regulations, and DRS guidelines.

Contract Amendment and Assignments: This Contract shall not be assigned, subcontracted, changed or modified without the written consent of both parties.

Covenant against Contingent Fees: Contractor agrees that no person or AGENCY has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established commercial or selling AGENCY maintained by Contractor for the purpose of securing business. For breach of this guarantee, DRS may terminate this contract and make no payments for services under the contract without liability, or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

Disputes: Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by Contract shall be decided by the Contract Manager, who shall reduce his decision to writing and mail or otherwise furnish a copy to the Contractor. The decision of the Contract Manager shall be final and conclusive unless, within 15 days from the date of receipt of such copy, the Contractor mails or otherwise submits a written appeal addressed to the Director of DRS. The Director of DRS may resolve any appeal addressed beyond that decision of the Contract Manager. All appeals may be subject to judicial review if otherwise provided by law in connection with decisions provided for above, provided that nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law. The parties agree that this dispute process shall precede any action in a judicial or quasi-judicial tribunal or any commencement of arbitration or mediation.

Independent Contractor Status: Contractor and his or her employees or agents performing under this contract are not employees or agents of DRS. The Contractor will not hold himself or herself out as, nor claim to be, an officer or employee of DRS or of the state of Washington by reason of this contract, nor will he or she make any claim of right, privilege or benefit which would accrue to a civil service employee under RCW 41.06

Licensing and Accreditation Standards: Contractor shall comply with all applicable local, state, and federal licensing and accrediting requirements/standards, necessary in the performance of this contract.

Nonassignability: This contract is not assignable by Contractor.

Nondiscrimination: During the performance of this contract, Contractor shall comply with all federal and nondiscrimination statutes and regulations.

Nonexclusive Remedies: The remedies provided for in this Contract shall not be exclusive but are in addition to all other remedies available under law.

Order Of Precedence: In the event of an inconsistency in this Contract, the inconsistency shall be resolved by giving precedence in the following order: (a) Applicable Federal and State of Washington statutes and regulations, (b) DRS guidelines, and other provision, term or material incorporated herein by reference or otherwise incorporated.

Records, Documents and Reports: Contractor shall maintain books, records, documents and other evidence of accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this contract for six (6) years. These records shall be subject at all reasonable times to inspection, review, or audit by personnel duly authorized by DRS, the Office of the State Auditor, and federal officials so authorized by law, rule, regulation, or contract.

Registration with Department of Revenue: The Contractor shall complete registration with the Department of Revenue, General Administration Building, Olympia, Washington 98504, if applicable, and be responsible for payment of all taxes due on payments made under this contract.

Rights of Inspection: Contractor shall provide right of access to its facilities to DRS, or any of their officers, or to any other authorized agent or official of the state of Washington or the federal government at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this contract.

Service of Process: The Contractor shall designate a registered agent for service of process in all matters concerning the contract. If no other agent is designated, Contractor shall designate the Secretary of the state of Washington as registered agent for service of process.

Severability: If any provision of this contract or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this contract which can be given effect without the invalid provisions, and to this end the provisions of this contract are declared to be severable.

State Held Harmless: Contractor agrees that it is financially responsible (liable) for any audit exception or other financial loss to the state of Washington which occurs due to the negligence, intentional acts, or failure for any reason, to comply by Contractor and/or its agents, employees, subcontractors or representatives with the terms of this contract.

The Contractor agrees to indemnify, defend and hold harmless DRS, its officers, agents, and employees, from any claims of the contractors, subcontractors, laborers, or any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with performance of this Contract, as well as against any liability, including cost and expenses, for violation of property rights, copyrights or rights of privacy arising out of the publication, translation, reproduction, delivery, performance or disposition of any data furnished under this Contract or based on a libelous or other unlawful matter contained in such data.

Termination For Convenience: DRS has the right to terminate the contract by giving written notice

to Contractor at the address given in this contract, at least five (5) business days before the effective date of termination.

Termination For Default: The Director of DRS may, by written notice, terminate the contract in whole or in part, for failure of Contractor to perform or if such performance by Contractor falls below prevailing industry standards. The Contractor is afforded the opportunity to cure the default within a period prescribed by DRS. The duration of the cure period will be determined by DRS by weighing factors relevant to the default. If it is determined for any reason the Contractor was not in default, or Contractor's failure to perform is not within its control, fault or negligence, the termination shall be deemed to be a "Termination for Convenience."

Termination Procedure: Upon notice of termination, the Contractor shall immediately return to DRS any materials provided by DRS, including but not limited to the completed survey, and the Contractor shall not incorporate the data provided by DRS into any report, including but not limited to the annual report provided to the identified participating public pension administrators in the survey. DRS shall pay the Contractor an amount agreed upon by Contractor and the Director of DRS for work and services delivered and accepted by DRS. DRS may withhold from any amounts due to Contractor such sum as the Director of DRS determines to be necessary to protect DRS against potential loss or liability. Failure to agree with such determination shall be a dispute within the meaning of the "Disputes" section of this contract. The rights and remedies of DRS provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

After receipt of a notice of termination, the Contractor shall stop work, complete performance of such part of the work as shall not have been terminated; and comply with Contract Manager's possession of Contractor and in which DRS has or may acquire interest.

Venue: This Contract shall be construed and interpreted in accordance with the laws of the State of Washington and the venue of any action brought hereunder shall be in the Superior Court of Thurston County, Washington.

Waiver of Default: Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver of breach of any provision of the contract shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of the contract unless stated to be such in writing, signed by the Director of DRS or Designee.

APPENDIX C: CUSTOMER REFERENCE CONTACTS

Contractor Name: _____

Customer Reference #1

Company Name and Address	
Contact Name	
Contact Telephone Number	
Contact Email Address	

Customer Reference #2

Company Name and Address	
Contact Name	
Contact Telephone Number	
Contact Email Address	

Customer Reference #3

Company Name and Address	
Contact Name	
Contact Telephone Number	
Contact Email Address	

Customer Reference #4

Company Name and Address	
Contact Name	
Contact Telephone Number	
Contact Email Address	

APPENDIX D: PROTEST PROCEDURES

A. PROCEDURE

This protest procedure is available to Vendors who submitted a Response to this solicitation and have received an Optional Debriefing Conference. Protests are made to DRS after DRS has announced the apparently successful Contractor. Vendor protests must be received, in writing, by DRS within five (5) Business Days after the Vendor's Debriefing Conference.

B. GROUNDS FOR PROTEST ARE:

1. Errors were made in computing the score.
2. DRS failed to follow procedures established in the solicitation document, or applicable state or federal laws or regulations.
3. Bias, discrimination or conflict of interest on the part of an evaluator.

The above are the sole grounds on which a protest can be based. Protests not based on these criteria will not be considered.

C. FORMAT AND CONTENT

All protests must be in writing, signed by the authorized agent of Vendor, and delivered in the timeframe of Section A, *Procedure*, above. Protests must be addressed to:

Leslie Saeger, RFQQ Coordinator
Department of Retirement Systems
PO Box 48380
Olympia, WA 98504-8380

Vendors making a protest shall include, in their written protest to DRS, all facts and arguments upon which Vendor relies. Vendor shall, at a minimum, provide:

1. Information about the protesting Vendor: name of firm, mailing address, phone number and name of individual responsible for submission of the protest.
2. Identification of the acquisition: Request for Quotation and Qualifications (RFQQ) Number 05-005 for Benchmarking Services.
3. Specific and complete statement of the Vendor or DRS action(s) being protested.
4. Specific reference to the grounds for the protest.
5. Description of the relief or corrective action requested.

D. DRS REVIEW PROCESS

DRS will perform an objective review of protests using individuals not involved in the acquisition process being protested. The review shall be based on the written protest material submitted by the Contractor and other facts known to DRS related to this RFQQ.

DRS will render a written decision to Vendor within ten (10) Business Days after receipt of Vendor protest, unless more time is needed. The protesting Vendor shall be notified if additional time is necessary.

E. FINAL DETERMINATION

The final determination shall:

1. Find the protest lacking in merit and uphold DRS' action; or
2. Find only technical or harmless errors in DRS' acquisition process conduct, determine DRS to be in substantial compliance, and reject the protest; or
3. Find merit in the protest and provide DRS with options, which may include:
 - a) Correct its errors and reevaluate Responses, and/or
 - b) Reissue the solicitation document; or
 - c) Cancel the acquisition.
4. Make other findings and determine other courses of action as appropriate.
5. Not require DRS to award the Contract to the protesting party or any other Vendor, regardless of the outcome.

The resulting decision is final; no further administrative appeal is available.